

**WAYS AND MEANS
COMMITTEE
OF THE
SUFFOLK COUNTY LEGISLATURE**

A meeting of the Ways and Means committee of the Suffolk County Legislature was held at the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, NY 11787 on Monday, December 3, 2001 in the Rose Y. Caracappa Auditorium at 1:00 P.M.

Members Present:

Legislator George Guldi, Chairman
Legislator Cameron Alden, Vice Chairman
Legislator Andrew Crecca, Member
Legislator Ginny Fields, Member

Also in Attendance:

Paul Sabatino, Counsel to the Legislature
Joe DeVincent, Town of Huntington Community Development Agency
Marian Zucker, Director, SC Affordable Housing
Allan Grecco, Suffolk County Real Estate
Bill Elsbree, Huntington Housing Authority
William McShane, President, L.I. Jet Center
Alice A. Amrhein, Commissioner, Economic Development
Raymond O'Brien, Lt/S.C.P.D. Staff Services
Pauline Mize, Gabreski Airport
Emi Endo, Reporter, Newsday
John F. Randolph, Telecom/Civil Service
Louise A. McMurray, Self
Arlene Forwarnd, League of Women Voters
Carolyn Fahey, Economic Development
Todd Johnson, County Executive's Office
Joseph Sanseverino, S.C. Community Development
John Kennedy, S. C. Clerk's Office
Ed Romaine, S. C. Clerk
Robert Cabbie, S. C. Attorney
Jim Morgo, S. C. Planning
Bill Shannon, S. C. D.P.W.
Jim Spero, BRO
Eden Bronfman, Aide to Legislator Guldi
Linda Bay, Aide to P.O. Tonna

Dave Grier, County Attorney
Jim Dobkowski, Aide to Presiding Officer Tonna

Minutes taken by:
Eileen Schmidt, Legislative Secretary

(*The meeting was called to order at 1:20 P.M.*)

CHAIRMAN GULDI:

Let's call the meeting to order. We'll begin with the Pledge of Allegiance to the Flag led by Legislator Crecca.

SALUTATION

I'd like to start with a presentation by Suffolk County Clerk, Ed Romaine.

MR. ROMAINE:

Good afternoon. Thank you, Mr. Chairman. I'm just here because there's a resolution on your agenda and I wanted to see if anyone had any questions about it cause it was tabled last time. It's resolution 2023 and it's appropriating funds in connection with the interfacing of District Court judgements with the County Clerk's Office.

CHAIRMAN GULDI:

There were questions on it that's why we asked to have it tabled. Thank you for coming. Legislator Crecca.

LEGISLATOR CRECCA:

No. I was just going to ask him to explain the purpose of the bill and --

MR. ROMAINE:

The purpose of the bill, the Legislature appropriated or didn't appropriate but gave us in the Capital Budget for 2002, \$50,000 for planning for this project and 225,000 for implementation in the 2002 Capital Budget. It was my decision to wait to put it all out as one, but the Budget Office tells me that we have to appropriate the \$50,000 in the year that the Capital Budget is funded. Once that's done at this meeting if it's passed and at the next legislative meeting, January 1, we will begin issuing an RFP for both the planning and implementation of this project.

LEGISLATOR CRECCA:

(inaudible)

MR. ROMAINE:

Yes. The project, very simply, we get about 60,000 judgements from District Court. One of the reasons why we get so many judgements and we had an unusual spike in the last couple of years is a lot of people did not pay their parking tickets or walking at the wrong place or whatever. All these types of tickets from District Court judgement and in the past they would go unpaid and as a result District Court decided to convert all of those tickets where they were non-appearances into judgements; spiking the judgements. What will happen under this, once this project is implemented is that all the judgements that are entered at District Court will be electronically transferred instantly to my office. It will be recorded electronically with our office and the electronic

image will be imaged from our office, meaning that the judgement will go on right away, hopefully incurring people or encouraging people to pay these fines, providing revenue to the County that much quicker. I mean, essentially, that's the project.

CHAIRMAN GULDI:

Legislator Alden.

LEGISLATOR ALDEN:

Ed.

MR. ROMAIN:

Yes.

LEGISLATOR ALDEN:

Now this is for planning steps or this first 50,000 is for the planning steps?

MR. ROMAIN:

Right, but we're going -- what I want to do is I want to put it all out as one. It's no point to hire one firm to plan and another firm to implement. So what we'll do is we'll issue an RFP at the very beginning of 2002 and then we'll be back to the Legislature again to award the bid and to appropriate the implementation part of this which is 225,000. We had asked for this all in one year, but the Legislature gave it to us in two years and I just think it's more cost effective to do it as one step as opposed to two.

LEGISLATOR ALDEN:

Just for the record, though, we don't have the expertise to do this in house, right? We have to hire somebody?

MR. ROMAIN:

No. We could hire someone, but then once the projects over, I mean, this is a pretty specialized thing. It's electronically transferring from the courts which is a different organization; it's the Office of Court Administration to us. It's built -- building firewalls, making sure that there's a line, a secure line between C.I. and Riverhead courts and then from Riverhead courts to our building. And then making sure that there's a software because their programs are different than ours to do the integration so that whatever they data enter on their end is translated into what constitutes a judgement on our end.

LEGISLATOR ALDEN:

My other question is, maybe the Chairman or --

MR. ROMAIN:

If we don't spend the money we won't spend the money. We're going to go to bid and whatever the bids come in at, but we think that it will be about this amount.

LEGISLATOR ALDEN:

The next question is, is to the Chairman or Paul Sabatino. Will this lead in your estimation to increased revenues to the County if we do it in a judgement form or is there some other way that we can do like a scoff law or something like that?

CHAIRMAN GULDI:

I think we have implemented a program for stale judgements, but I think that the {currency} of the information would enhance the ability -- enhance the enforceability of the judgements and thereby enhance the collectibility. I think that I agree with the presumption that there would be an enhanced will to pay --

MR. ROMAINE:

Although the quicker you get it on the better it is because the quicker it gets on, you know, you go to apply for a credit card, a car loan or refinance a house, boom, you're going to find out right away. A judgement in this County is good for 10 years and it's renewable for 10 more years. So the County is going to get repayment at some point. These people doing any business at all it's going to come right across on their credit report.

LEGISLATOR ALDEN:

That was my impression on it; I just wanted to make sure that we had like, you know, --

MR. SABATINO:

I would just concur by saying we've been trying since 1992 or 3 with legislation to facilitate this and it really comes down to the computers at the inside. I think the answer is an absolute, yes.

MR. ROMAINE:

After you get these judgements on, the faster the County is going to see collection. And one of the problems is, I know when I was a Legislator people would come and try to sell us, you know, we'll help go collect your bad debts from these parking fines, etc. which amount to, you know, well over several million dollars a year. And we were going to pay them one third of that; let me tell you by converting these to judgements, the faster you convert them to judgements the quicker you're going to see repayment because people are constantly doing things with credit cards, with car loans, with refinancing houses, with anything that involves any credit report this is going to be reflected. And as I said, a judgement's good for 10 and renewable for another 10, so this is going to stay with these people unless they pay up and I think they'll get that message very quickly.

CHAIRMAN GULDI:

You have another question?

LEGISLATOR CRECCA:

Yeah.

CHAIRMAN GULDI:

Go ahead, Legislator Crecca.

LEGISLATOR CRECCA:

Ed, is there anything that you can do in the process once it gets to you for a judgement for filing to send some sort of notice to the person to try to collect it at that point while it's still fresh or what do you recommend.

MR. ROMAIN:

It's called an execution of judgement and you see we can't do it because all we are is a recording office.

LEGISLATOR CRECCA:

The Sheriff has to do that?

MR. ROMAIN:

The Sheriff has to do that and the creditor in this case is the County itself I would think. So either the courts or the County would have to instruct us and the Sheriff would then do an income execution of some type.

CHAIRMAN GULDI:

I understood the question differently though. The presumption is that someone is getting a default judgement against them at District Court for an offense, isn't aware of the judgement. Are we doing anything to give them a notice, an additional notice, notice that a judgement has been entered against you?

MR. KENNEDY:

Again, my understanding is that that's something that goes on, as you well know, during the course of the proceeding at the trial court level. Kind of as Mr. Romaine explained --

LEGISLATOR CRECCA:

No, no, what he's saying is that we're not -- once there is a judgement we're not notifying the individual that there's a judgement against them. The only reason --

MR. KENNEDY:

The County of Suffolk notifying them, not that I'm aware of.

CHAIRMAN GULDI:

We're the creditor.

MR. KENNEDY:

What I would say to you again is I understand the question here, in other words, trying to just make certain that that particular individual is cognizant even if they -- there was a default that went on in the first instances. However, again, you know, as Mr. Romaine explained I guess under the statute our authority goes to the transcribing of the judgement and the maintenance of the indices.

CHAIRMAN GULDI:

What you're saying essentially is it wouldn't be a function of the Clerk's Office.

MR. ROMAIN:

We don't have the authority to do that.

CHAIRMAN GULDI:

Right. Do you have the resources to do it in the event --

LEGISLATOR CRECCA:

Actually, that's what I was asking.

MR. KENNEDY:

20 something years worth of judgements, it's huge, quite large.

CHAIRMAN GULDI:

I understand what you're saying. All right. Any other questions on this? Motion to take 2023 out of order by myself.

LEGISLATOR ALDEN:

Second.

CHAIRMAN GULDI:

Second by Legislator Alden. Motion to approve by myself.

LEGISLATOR ALDEN:

Second.

CHAIRMAN GULDI:

Same second. All those in favor? Opposed? 2023 is approved. (Vote: 4-0) Thank you.

LEGISLATOR CRECCA:

Thanks for coming down.

MR. ROMAIN:

Thank you and I hope all of you have a very happy holiday. I'm glad to see all of you back again.

CHAIRMAN GULDI:

Three cards on the same issue relating to 2115. They are Joe DeVincent, Bill Elsbree and Jim Morgo. So do you want to come down together?

MS. ZUCKER:

2115 is the first planning steps resolution being brought before the Legislature for the Affordable Housing Opportunities Program. I'm personally really excited to be moving forward a project in this -- you can't hear me? Thank you. I'm excited to be bringing forward a project under this program. And this particular one in Huntington provides 84 new affordable housing units, 40 rental housing units and 44 homeownership units. We're asking to move forward in planning steps resolution to begin the review of the appraisal of the property. The application is in for an acquisition price of a million five. The appraisal is significantly more than that; we also want to start the documentation, this project has commitments of \$6.3 million of HUD funding and is expecting a final commitment from Chase Manhattan Bank of another additional \$6.6 million of funding. We also have an application from the New York State Affordable Housing Corporation for \$1.1 million of subsidies for first time homebuyer units. I urge your favorable consideration of this resolution. I've also -- you have here before you Jim Morgo from Long Island Housing Partnership, which is a participant in the project. Joe DeVincent from the Community Development Agency of Huntington which is sponsor of the project as well as contributor of \$204,000 of Community Development block grants and Bill Elsbree, consultant to the project. And I'd open it up for questions now.

CHAIRMAN GULDI:

Well, I note from my review of 2115 is that the physical impact statement indicates that the physical impact of the planning steps had zero to the County. Explain why that's so.

MR. DEVINCENT:

The Town of Huntington Community Development Agency paid for the appraisal using an approved appraiser from the County's list, which was also on the Town's list.

CHAIRMAN GULDI:

So we can get into this project from a County's perspective at least for the planning steps at a zero cost. Okay. Any other questions by members of the panel? Motion to take out of order by myself.

MR. SABATINO:

Mr. Chairman, I think it's important just to layout what the issues are on this. There are two important issues to be considered. The first one is that the proposal is to acquire land from the Huntington Housing Authority; so this is going to acquire land from the Housing Authority. To bring to your attention that the original local law, you know, is adopted conceptually at least in its initial framework was to try to take the land cost out of the affordable housing equation by acquiring land from third parties where the land would otherwise be developed for, you know, alternative purposes. So this is unusual in the sense that you're not buying from a third party; you're buying from the Town of Huntington Housing Authority and it is my understanding of the transaction after some discussions last week is that the County will then transfer the property back to the Town. So it's going to be an acquisition and then a flip back because I think the objective is to try to get money into the hands of the project for the construction of the housing. So issue number one is to consider whether or not you feel comfortable that

that falls within the framework of the local law that you adopted a year and a half ago. The second issue is that the Huntington Housing Authority has had some significant accounting problems with regard to the way it handles funds. It's been reported, I think fairly extensively in some local media that funds, in fact, were used for things like trips to Florida and for members of the Authority allegedly using the payments for making mortgage payments on their private property. So it would seem to me that from a do diligence standpoint before you would want to authorize County money to and be paid to the Housing Authority you'd want to have some assurances that those issues have been resolved from the standpoint of an audit. You know the people responsible for the prior problems still there; is there a new system in place to, you know, to process vouches. So those are the two issues that I think you have to address. I brought these up at a meeting five or six months ago and I thought in the intervening period that they may have been responded to, but I'm not really certain, so I leave that out there.

CHAIRMAN GULDI:

All right. With respect to the second issue first, I've already made inquiry as to personnel and policy practice changes and have received adequate assurances that there will be no future accounting irregularities at the Authority. With respect to the first issue, I understand the concern as to the apparent circularity of it, but the objective of our financing was to create county funding to subsidize the cost of affordable housing projects. I think this meets those -- that criteria. Legislator Fields indicated she wanted to be recognized.

LEGISLATOR FIELDS:

Mr. Morgo, could you comment on those two issues?

MR. MORGO:

You know certainly, but what I was going to suggest with the Chairman's prerogative that we have Bill Elsbree who is the consultant to the project and Bill has prepared something's that would give you a more comprehensive look. I didn't know that Marion was going to turn it over to you for questions. I'd like to give Bill the chance and he has a handout for you to look at and I would -- Legislator Fields, I would love to comment on those two issues.

MR. ELSBREE:

Just to very briefly add, Marion quickly laid out the development. A couple of key things, one is the location which is in Melville just south of the LIE and west of Route 110 and that of the 44 units that are going to be sold, 10 are going to be affordable to families at 50% of the area medians approximately \$35,000 and 34 are going to be affordable to families at 80% of the median to \$60,000. The average market rate sale price in that area for comparable unit is \$340,000.

CHAIRMAN GULDI:

(inaudible)

MR. MORGO:

That's a blend; a two bedroom would be below 340 a three bedroom would be a little bit above. The County will be placing liens on all 84 units; the rental your funds will be paid back after 15 years on the 44 home ownership that we paid back upon sale or refinancing. The details are still to be worked out; there maybe some assumability there if another qualified family moves into that unit, but basically all of your funding is going to be supported with liens. Specifically, in response to the issues about the Housing Authority, I fully agree that no future problems are expected in this project as with all projects of this nature and this size. The construction lender, which is J. P. Morgan-Chase, is going to control all the funds and will be disbursing those funds. There is nothing in the project budget as far as any sort of admin fee back to the Housing Authority or overhead, you know, so the Housing Authority is not directly involved in the cost structure of the project and really has no, again, no sort of vehicle with which to get involved in. Again, your funding along with all the funding is going to be overseen by Chase and disbursed on a monthly basis, based on requisitions as they're submitted. I'd add that Jim Morgo's shop, the Long Island Housing Partnership will -- is been involved with many aspects specifically the homeownership piece and the development and financing and the lottery for those units. And the Town is also quite supportive and is putting in 200,000 of community development block grant funding of theirs'. One other item I would add that responds to the need for county funding as I think everyone is aware there is no pipeline for development of affordable housing in this area. It's always very difficult and very expensive; this project is unique because it's getting just under 6.4 million of Federal Public Housing money which is highly unusual. It's actually a program that was discontinued over 10 years ago, that prohibits us from bringing in some other sources like tax credits or some home money which would otherwise cover - - might fill the gap that the County is filling it in, in this project. So the County funds are very necessary and really provide the leverage, as Marion said, a million and a half in County money allows us to bring 13.5 million of outside funding into the development of this project.

CHAIRMAN GULDI:

Legislator Alden.

LEGISLATOR ALDEN:

Just as a clarification of one of the first parts that you said there. You're going to put soft mortgages on these properties, right?

MR. MORGO:

Right.

LEGISLATOR ALDEN:

And so basically the ones that are going to be owned by homeowners, our money will provide them with whatever the gap money is to make it so that they can purchase the things. But then when they go to sell it they have to repay that money directly to Suffolk County or would it come through whichever way the money flows back to Suffolk County whatever way you work out.

MR. MORGO:

Low or moderate income homeowner.

LEGISLATOR ALDEN:

Right. It's okay, good.

CHAIRMAN GULDI:

Legislator Fields.

LEGISLATOR FIELDS:

What role does the Housing Authority have in this?

MR. MORGO:

Their key role is sort of community involvement and oversight. They're not specifically in the chain of command for development of it. There's a full development team of professionals in the affordable housing business. They have worked with the community to deal with past litigation and problems to come up with a unit mix in affordability and some design issues, but really as far as the development it's much more of -- sort of a broad oversight role and know sort of direct line responsibility.

LEGISLATOR FIELDS:

How do they get their money usually?

MR. MORGO:

Excuse me.

LEGISLATOR FIELDS:

How do they get their money; how do they stay in business, the Housing Authority?

MR. MORGO:

Their primary source of funding is that they administer the Section 8 Program for the Town of Huntington which has -- it varies over time, but roughly 6 to 700 households that get rental subsidies and they receive an administrative fee for operating that program. They also operate 42 units of public housing, that's not really a revenue generator for them. It's the Section 8 Program for the Town of Huntington that --

LEGISLATOR FIELDS:

So just, you know, on the question that our Counsel brought up about accountability of that Housing Authority. Legislator Guldi said he's had assurances, but what does that mean, really? Does that mean, oh, okay, we won't, you know, what does it actually mean?

CHAIRMAN GULDI:

(inaudible)

LEGISLATOR FIELDS:

Well, just for the record I'd like to have that.

MR. DEVINCENT:

My name is Joe DeVincent, I'm Director of Community Development for the Town of Huntington. First of all, in terms of the resale and the revenue; the Town of Huntington originally acquired this property for the Housing Authority to develop this project. Over years it's been delayed and the requirement for additional assistance comes from the fact that part of it will be a rental situation which requires necessarily a higher level of subsidy since you're looking to serve a more modestly income population. In terms of the administration of the Authority, there were issues involving the administration of the Section 8 Program. HUD was very directly involved in that since they necessarily audit that program and monitor it. As a result of audits that were done the Town Board of the Town of Huntington made referrals to the United States Attorney. The Board of the Housing Authority was replaced; the current Board has initiated a series of reforms and new practices that have been monitored and approved by the Department of Housing and Urban Development. But this project which also gets HUD oversight and approval has never been a question of any of the accusations involving the Housing Authority. So not only is the Housing Authority reformed itself in terms of it's primary responsibility which is administering the Section 8 proposal, but this whole plan has gotten increased examination because of those audits and reviews of the other operations of the Authority.

MR. MORGO:

This was all in response to your original two questions on -- based on Paul Sabatino's issues. I think Legislator Guldi did answer the issues particularly the first one. If you look at what Bill Elsbree distributed you're not going to have any of this other money leveraged unless you have it all and that -- the methodology may be a little different, but the means is, I mean the end is the same. And in as far as the Housing Authority's oversight during the actual construction, there's going to be a housing development fund company under Article 11 of the Private Housing Finance Act. That would be the construction development team as Bill talked about. The disbursements are going to be looked at by the bank and they'll be several on every level from HUD to the New York State Affordable Housing Corporation. They'll be oversight all the way during the construction and as was also mentioned all the State money as well as the other money, as a matter of fact, is all secured.

LEGISLATOR FIELDS:

Thank you.

2115. Authorizing planning steps for acquisition of property under Suffolk County Affordable Housing Opportunities Program (Millennium Hills 0400-254.02-01.00-001.000 through 084.000; Town of Huntington). PRIME (Co. Exec.)

CHAIRMAN GULDI:

Motion to take 2115 out of order by myself.

LEGISLATOR CRECCA:

Second.

CHAIRMAN GULDI:

Second by Legislator Crecca. Discussion on 2115? All those in favor? Opposed? Approved.

MR. MORGO:

Thank you, folks.

MR. DEVINCENT:

Yes, thank you.

CHAIRMAN GULDI:

(inaudible) I have a card by Mr. McShane regarding a Sense Resolution, but I understand were waiting for one more document. Do you mind waiting a moment longer?

MR. MCSHANE:

(inaudible)

CHAIRMAN GULDI:

Then we'll go to Mr. Grecco.

MR. GRECCO:

Thank you Legislator Guldi. Is this on, yes. All right.

CHAIRMAN GULDI:

Go ahead, Mr. Grecco:

MR. GRECCO:

Legislator Guldi had requested that I do a presentation this afternoon regarding the matter of the Chandler Estate, something that he and I had occasion to review sometime ago and some things had been written in the press about it. What I'd like do is go through some documents with you and keep in mind two questions. The first question I'd like you to keep in mind is, did I determine the price and I think when you read the documents you'll see the answer is no. And the second question, was the price indicative of market value and I think you'll see the answer is, yes, as Legislator Guldi and I have earlier reviewed.

The first think you see there is something from the Mr. Sinai Association which is just some background information regarding the Chandler Estate as to it's environmental sensitivity with tidal wetlands, freshwater wetlands, archeological features, etc.

Originally, the Chandler Estate was zoned by Mrs. Chandler who's a bit of an eccentric, reclusive person I suppose and the property was zoned one acre residential. There came a time when she looked to go into contract on this property and sell it subject to a map to be filed for one-acre zoning and I believe Legislator Guldi knew about this as well for approximately the sum of \$6 million --

CHAIRMAN GULDI:

Five.

MR. GRECCO:

\$5 million.

CHAIRMAN GULDI:

The first deal that Mrs. Chandler signed was a \$5 million deal in the late '80's.

MR. GRECCO:

Okay.

CHAIRMAN GULDI:

Excuse me, the late '80's early '90's.

MR. GRECCO:

Okay.

CHAIRMAN GULDI:

And subsequently negotiated the \$6 million deal.

MR. GRECCO:

Thank you. The town then subsequently --

MR. SABATINO:

Who, who was that contract signed with and did the deal close?

MR. GRECCO:

No, it never closed.

CHAIRMAN GULDI:

Actually, what let me explain. It came to my attention, in it's small world category, that Mrs. Chandler's attorney happens to be one Thomas T. McVan an individual who I have unrelated business relationships with not related to County business. He was contacted by Newsday about the Chandler Estate and since he knew and had seen my name in connect with the Toussie proposal outlined to me what had happened in his interviews with them and what the history of the property was. The developer who had signed the \$5 million contract went bankrupt in the economic down turn in the early '90's shortly after he inked the contract. He had developed the subdivision next store and I don't remember his name. There was subsequent negotiations with a -- and another contract

drafted which was not signed in the immediate period after that at a \$6 million purchase price.

MR. GRECCO:

In any event, because of the up zoning these contracts were not consummated and Chandler went into bankruptcy in 1994. As fate may have it a bankruptcy sale was had and Mr. Toussie ended up purchasing the property at the bankruptcy sale at approximately \$500,000, but I will come back to that in a moment. I think everyone will agree that did not represent fair market value; it was a bankruptcy auction, it was a bargain.

The next piece of paper you'll see there is a letter from a Kristina Hansen indicating the people's interest in this property. And in it she indicates, I'm dismayed to hear how slowly the State is acting on securing this parcel with its 40 acres of woodlands, fresh land (sic), wetlands and tidal marshes. Once again, a lot of interest in this property.

The next letter is from the Carter's indicating that although identified in the New York State Open Space Plan as a parcel which should be acquired and preserved, the State has been slow to act on this recommendation, and this parcel is now threatened with development which was true.

The next thing you'll notice is a state -- is the First American Title Insurance policy insuring the Toussie Family Enterprises for a million dollars. Upon information and belief, Toussie had not 500,000 into it, but more like a million into it plus another 500,000 in fees, etc. The statement in Newsday was that I helped Toussie get ten times the property value from 500,000 to five million. The reality of it is we believed his actual acquisition cost was 1.5 million and the County purchase ultimately was 4.5 million, that's a tripling not ten times, but without going into spins because we all, I'm sure are clear that Toussie did not buy it at market value, I'd like to proceed. The resolution was had by this Legislature and this parcel came into our department in May of 1999. At that time I was the only one in the department, Mr. Burke hadn't started at that point in time. I suppose because of some business dealings I've had with Mr. Toussie I could've stepped back and given it to my predecessor, Mr. Fishbein to negotiate. However, I had decided that provided I do not get involved in the actual price determination of this matter it would be acceptable. Now, in my direction of Terri Allar on my May 20th letter, the last sentence in there says that there is a lawsuit going on regarding this two acre/one acre issue that the town says it's two acres and Toussie says it's one. And to quote my letter, I said to what extent this lawsuit bears upon the market value of the property is for the appraiser and your unit to determine, not exactly a rousing endorsement of Mr. Toussie on my part. There was a transmission of information to her. It has also been alleged that we put Mr. Toussie to the top of the list and that Mr. Breslin never got an offer from us; that was also written in the article.

The next letter you'll see of September 1, 1999 is from Mr. Breslin's attorney indicating they are not interested in selling to the County. You know my opinion is Newsday had a reckless disregard of the facts when they printed that information.

The next page is an appraisal review of a Marchitelli, Barnes appraisal that was at 2.7 million that the first appraiser reviewer was 2.2 to 2.32 and the senior review appraiser was at 2.3 to 2.65 million.

LEGISLATOR FIELDS:

Can I interrupt for a second? I'm confused. What does Breslin have to do with this?

MR. GRECCO:

The article mentioned that we put Mr. Toussie to the top of the list in Open Space Greenways and to the detriment of any others that had a higher priority and Breslin was quoted as not having gotten an offer from us and here's the letter of rejection. It's just, I'm including that just to show the -- I don't know, just to show the lack of care on the part of Newsday in their reporting.

LEGISLATOR FIELDS:

Okay. Thank you.

MR. GRECCO:

Okay. My point is, as we all know we had Open Space Greenways in rankings; we worked our way down. The inference that we put Toussie on the top of the list is just not true. The first appraisal and only appraisal we ever ordered is the next one is the Marchitelli, Barnes appraisal at 2.7 million which was reviewed by both Review Appraiser and the Senior Review Appraiser that was in 1999. Based upon that review I advised Mr. Toussie our offer was 2.65, to which he told me, you're crazy.

If you look at the next letter he sends us on September 1, '99, some information that he could get 300,000 to 350,000 for one acre lots there which if you do the math is about 12 million. So he was looking for 12 million, we're at 2.6 million not too close.

LEGISLATOR BISHOP:

(inaudible)

MR. GRECCO:

This is the First Continental Reality letter of September 1, '99.

LEGISLATOR ALDEN:

Those are improved lots, right, Allan?

MR. GRECCO:

Those are improved lots according to him. I didn't give much credence to this letter. Okay. So be it.

The next thing that Toussie sends is an alleged offer to purchase his property for 7.25 million from the Tamir Organization on two-acre zoning. So now he's down to \$7 million at this point. Now because the Town of Brookhaven was in litigation with Toussie over

the two acre/one acre issue they and I repeat they hired Frank Anzini as an appraiser, not me, not the County. There were other appraisals I understand with the DEC that were out there; I've never seen them upon information and belief they were in line with our first Marchitelli and Barnes appraisal, but I don't have them in my file; I've never seen them. So the contention that I have just kept getting appraisals till I got the right number for top dollar is ridiculous.

Now I then on December 6th, '99 sent to Anzini a fax of a contract that Toussie sent me.

LEGISLATOR CRECCA:

(inaudible)

MR. GRECCO:

December 6th, '99, my letter to Anzini and it says, "please consider its value, for what it is worth, in your appraisal of the above property. My initial impression is that this contract has limited value since it does not represent a consummated transaction. Additionally, though the property is in Mt. Sinai, it appears to be a lot on an improved subdivision may and, therefore has little value regarding the Chandler Estate." I think when you read that letter hardly an endorsement on behalf of Mr. Toussie by me. Now keep in mind Brookhaven hired Anzini; under our legislation and -- a town that hires an appraiser who's also on our list can be used.

CHAIRMAN GULDI:

(inaudible)

MR. GRECCO:

Yes, he is. He's been on our list for 20 some odd years and we've used him for other matters.

The next thing is a fax from Toussie to me of January 17th. And then he tells me and I'll try to read this as best I can. "The lot in Mt. Sinai next to the peach farm closed last week through Tom Capasso for 120,000. It backs up to County Road 83. Now lots are selling for 100,000/130,000. This should result in a value for Chandler of 10 million. Please let me know what's happening with the appraiser or I'll just forget about selling it." Again, I'm staying out of the process; I'm just handing things back and forth.

On February 1st, the next letter I send to Mr. Anzini a copy of Toussie's fax of January 27th, indicating what he's selling lots on the Davis Farm for which is also in Mt. Sinai. And I ask him, "please advise if this information is relevant from your standpoint." Again, I am not steering the appraiser in any direction; I'm just sending information along.

I think the next letter of March 10th 2000 is very important and I draw your attention to it. It's a letter addressed to Herbert Balin, Mr. Toussie's attorney. And it says, "pursuant to our March 8th, 2000 telephone conversation, enclosed please find appraisal prepared by Anzini Appraisers and Associates. Please discuss the same with your client, Mr.

Toussie, and contact the undersigned to negotiate a purchase price." And it's signed by Annette Eaderesto, Town Attorney, Town of Brookhaven. That's not my letter; that's the Town of Brookhaven. It clearly indicates that the Town was taking the lead in this matter by the ordering of the appraisal and the discussion with Toussie's attorney. Balin then sends back another appraisal to Ms. Eaderesto, which we'll get into in a moment.

And then Eaderesto on March 14th the next letter writes to Mr. Anzini, "Enclosed please find appraisal which was forwarded to my attention by Herbert Balin, one of Mr. Toussie's attorneys. Please review, please advise and review as to your thoughts." She sent a copy to the Planning Commissioner and to me. So that Anzini appraisal that we all talk about that I supposedly solicited and peddled around, not only was not ordered by me, but was sent -- but was ordered by the Town and the appraisal that we'll get to in a moment, that Toussie sends in was sent to the Town -- who they sent to the appraiser, I did not send it.

My next letter of March 17th is addressed to my Senior Review Appraiser, Terri Allar. The idea at this point is that we have a whole number of different scenarios, if the Town wins, if the Town loses are there transferred development rights, are there not. And it seems to be some confusion as to who said what when. I'll come back to this letter to show you, I'll come back to this letter the facts as they have folded, unfolded in chronology.

Now on the 21st you'll see my next letter to Allar and I tell her, "Please see Annette Eaderesto's letter of March 14th with a copy of the appraisal as submitted by Mr. Toussie." And I refer to him as Mr. Toussie; there's no hiding of anything here. "Please review and advise if you feel there should be any change in our valuation." I did not tell her to use this. I just handed to her for her opinion.

Now if you look at the next page it says, review copy, claimant appraisal critique. It has always been our position that when a person rejects an offer send us in an appraisal I handed to my appraisal people. Now this Bert Nelson appraisal said the property was worth 6.6 million. This again was sent to Eaderesto from Toussie's attorney; Eaderesto sent it to me, I handed to Allar.

MR. CRECCA:

What page are we on because --

MR. GRECCO:

We're on the one that says, review copy.

LEGISLATOR CRECCA:

Okay.

MR. GRECCO:

This page, see it?

MR. CRECCA:

(inaudible)

MR. GRECCO:

Right. Toussie's appraisal says 6.6 million; I have two appraisers, two appraiser reviewers from the County reviewing this at 3.5 to \$4 million both of them. This is not my number; this is not my appraisal.

I also draw your attention to the critique page 7, and the last paragraph and I quote, "Said increase is only based on information received from the Town of Brookhaven --

SPEAKER:

(inaudible)

MR. GRECCO:

Page 7 of the critique. You have it? Page 7 of the critique states, " Said increase is only based on information received from the Town of Brookhaven, Town Attorney, Annette Eaderesto. Her memo attached indicates the Town's Planning Director, John Girandolo, will favorably consider the subject as a receiving unit for Pine Barren's credits, therefore increasing yields substantially to 40 plots." I don't see my name anywhere. I don't see my name anywhere on this.

Next you'll see the Bert Nelson appraisal which I've included which gives you a \$6.6 million evaluation.

At this point, Anzini has completed his final appraisal giving four different scenarios, one acre zoning, one acre zoning with TDR - Transfer Development Rights; two acre zoning, and two acre zoning with TDR's. This is federal expressed to me overnight from the Town Attorney in Brookhaven by letter of July 5th. It says, "Please find Anzini's appraisal of the Chandler Estate. Please have the appraiser (sic) viewed by your staff and advise as to the Town's requirement for purchase contributions." Which is what I did.

My next letter was when I gave it to my staff my letter of July 7th. "Enclosed herewith is the appraisal from Frank Anzini and Caren Loguercio's cover letter. Please do an appraisal review of this matter immediately. I note from Mr. Anzini's appraisal he took four scenarios. He viewed the property both with one acre and two acre zoning and with and without utilization of Pine Barrens Credits." Then I think the next sentence is important. I state, "It is my understanding that the property is two acre zoning, but in litigation as to one acre zoning." That statement is true. "Please expedite this request and see me if you have any questions. Thank you."

Now the next page is the cover sheet of the Anzini appraisal. There's scenarios A, B, C, and D. Again, two acre zoning, two acre zoning with TDR's. One acre zoning and one acre zoning with TDR's. I draw your attention to scenario B which is the two acre

zoning which is what the Town told us it was which was what I said it was and he comes in with a number of 4,795,000 --

Turn tape over.

Page 15 of that appraisal showing a yield, it says, ROD which is a Resident Overlay District which is the 21 lots which is 18 of right, plus 3 TDR's would be with the handwritten note OK on that. In my opinion, that is Terri Allar's OK because I did not review this. So clearly, she looked at the two acre zoning scenario with TDR's.

And her next review of July 13th indicates on the bottom line, "that in my opinion the present fair market value of the subject considering all the above can be within the range of up to \$4.5 million." which is what the County spent. Now I ask you to go one more paragraph up and I tried to highlight it in the middle of that paragraph and I want to quote her. "I find that value should be based on a potential yield of 21 lots including the transfer of 3 Pine Barrens credits." That seems very clear to me; it seemed clear to the County Attorney, the Planning Director, and the Deputy Director of Real Estate that she based this on 21 lots, her \$4.5 million review. This was Town zoning not Toussie's zoning. We then made him the offer of 4.5 million; he wanted five million not a penny less. Rather than throw in the towel and said all right next get another appraisal or let see what the market does or lets give him another half million I stood firm on the number of 4.5 million. He wanted five we wanted 4.5. The Town of Brookhaven decided to come up with 500,000, which I do commend them because it would not have happened. They got out of a lawsuit and they were able to maintain some property within the Town. There are some intangible benefits, but we only paid \$4.5 million based upon a two acre zoning on appraisals I neither ordered nor influenced.

Now we then struck a deal for five million where we pay 4.5 and the Town pays a half a million. My instructions to Peter Belyea was to prepare a contract. I said the basic transaction is as follows: "the purchase price \$5 million, County of Suffolk will pay \$4.5 as per Appraisal Review." not as per my pulling a number out of a hat. "And the Town of Brookhaven is contributing 500,000 without any ownership interest. The seller has also requested we consider the bargain sales provisions in the contract since he is contemplating making a charitable donation under the IRS Code. Now this, this takes some explanation. There is a bargain sale provision wherein if you sell property to the government, to any governmental agency for preservation purposes the difference between the selling price and the fair market value can be viewed as a deduction, which comes off of your capital gains. So for example, if Toussie had a one million basis and he sold for five, theoretically he would have \$4 million in capital gains. Let us assume he has an appraisal that holds muster at six he could take a million off as a gift and reduce his capital gains. It's a very simplistic way to explain it, but that's how I understand it. But I will tell you this, the burdens on the seller to see if it holds muster; we do not ascribe value. We sign a form 8283 saying that we got the property for \$5 million, but the form itself says we are not ascribing value. It is up to the seller and if he wants to roll the dice and see if his appraisal holds muster that's his, that's his business. I'm not even so certain he took it, but it was in the contract.

LEGISLATOR CRECCA:

(inaudible) sign the form, right?

MR. GRECCO:

The contract was that we would sign the form if requested. I do not recall signing this form. Basically, I think Toussie wanted to say, hey, if I can take a tax deduction I want to have that ability. I think between contract and closing if my memory serves me well, he chose not to do so.

Now we're in contract and we got close to the closing and Newsday took something out once again out of context out of clear disregard for the facts, reckless disregard for the facts. The last line of Belyea's September 5th memo states, "The expedited nature of this acquisition has left me with many open ends in my file. Can you please construct a memo to me clearing all aspects of this transaction for acquisition." thus making it seem like I did a rush, rush deal, but the bottom line was at this point the transaction was in contract; we were ready to close. And if you look at his memo it dealt with issues of the survey, title and environmental and with all due respect I think representing the County, we are concerned with the survey, the title and the environmental and I took a look at it and I reviewed it because of the complex nature of the transaction; the amount of money to be paid.

And my next memo of September 6th advised him what the status of these matters were because the matter was to close on September 8th. It was expedited because all these things came in right before the closing. I would've done this on any transaction quite frankly.

Now much has been written about Fidelity Title that I placed the title with and in the article it said, because I placed a Fidelity -- the title with Fidelity and I have a company that does business for Fidelity there was this ability of Fidelity to give me business as a conflict of interest. I'll ask any of the attorneys here if they think that's the most ridiculous thing they've ever heard; it doesn't happen that way in the title business. The agents originate the business and they place it with the insurer. The insurer doesn't get business and give it to the agents. It doesn't happen that way, yet Newsday saw another opportunity for reckless disregards of the facts.

The last thing I'm asking you to look at is a dialogue between Legislator Caracciolo and Legislator Guldi at the last Environmental Committee meeting. Legislator Guldi and I had occasion to discuss this matter on many occasions. He was talk -- he was spoken to for News -- with -- by Newsday for hours. They chose not to publish anything as to his findings; they would have found for example that his finding was that the value was consistent with market value and, in fact, he knew of a earlier contract for a greater amount of money. Caracciolo then said, "you'd be doing everyone a service by sharing this information." Legislator Guldi says, "its been provided to Newsday and not reported." Legislator Caracciolo stated, "very interesting." What I am suggesting to you is that I think the evidence is clear that I did not go appraisal shopping. I stayed out of

the evaluation process and I believe that according to my experts that I relied upon, this value was arrived upon, and I believe it represents a fair market value. When you look at {Forsyth} Meadows right down the block in Stony Brook, 38 acres for 5,235,000 and Chandler Estate on the water in Mt. Sinai, 40 acres for five million even and we only paid 4.5 remember I think not only was it a fair deal I think it was a good deal for the County.

CHAIRMAN GULDI:

Let me, I have a couple, I have a line of questions I want to steer you to. Are you done yet or do you want me hold.

MR. GRECCO:

I'm pretty well done.

CHAIRMAN GULDI:

Okay, but I want to steer you to an issue you haven't discussed yet and that is I want you to clarify for the members of the committee the -- your relationship with Peerless Abstract Company and Peerless Abstract's companies customers in the title business and whether or not the Toussie's or the Toussie companies have been customers of Peerless Abstract's and if so to what extent. That's really cause the concern, the concern is the concern is -- I'm not just the concern isn't the result on the Chandler purchase price. My review of the file and your file speaks for itself on that. The question is the inference of a conflict and the appearance of independence from of your office from any business relationship with the Toussie's. So that's the real question, so first clarify what's Peerless in your relationship with Peerless?

MR. GRECCO:

Okay. I started Peerless Abstract in 1982; I am the sole stockholder, officer and president of the company. When I was asked to come on board in 1994 I disclosed my ownership interest in this business. I disclosed it and we discussed it in the County Attorney's office and we reviewed it and certainly perimeters were set forth as to what I could and could not do. I have stayed within those perimeters. Now in terms of your second question with Toussie --

CHAIRMAN GULDI:

What were those perimeters roughly?

MR. GRECCO:

Those perimeters were, well, obviously, don't do it on County time which I have not. Do not insure anything into the County and do not insure anything out of the County. Other than that there were no conflicts that were -- there were no other restrictions upon me upon which I thought a conflict could be based.

CHAIRMAN GULDI:

Well, let's clarify this. So, essentially, Peerless is a title company that you still own --

MR. GRECCO:

A title agency, yes.

CHAIRMAN GULDI:

A title agency and it does not write insure title in any transaction in which the County's a party?

MR. GRECCO:

Right. Seller or buyer.

CHAIRMAN GULDI:

Okay.

MR. GRECCO:

That's right. Now I had been doing business with Toussie in some shape, manner or form for several years prior to coming to the County. From time to time it was significant, from time to time it was not, but I felt that in this transaction with Chandler, if there was an appearance of impropriety and I will concede that some may see that, that there may have been an appearance of impropriety. I believe that I did not act improper; I believe that I represented the County to the best of my ability and without compromising the County's position in terms of the price. I think the record is very clear that I put up a china wall what have you. I relied on others for this price and, in fact, I think its clear that the Town of Brookhaven really took the lead on this.

LEGISLATOR FIELDS:

Can I ask a couple of questions?

CHAIRMAN GULDI:

Just one more and then I turn it over to other Legislators for questions. That is, all right, you've shown us the paper trail; the concern the question really that the paper trail rises as outside of the paper trail where they're dated conversations with you, members of your staff, or you members of the Toussie organization related to the Toussie, the Chandler Estate sale.

MR. GRECCO:

Yes.

CHAIRMAN GULDI:

And if so, what were those conversations with whom and --

MR. GRECCO:

Yes. Oh, I had conversations with Robert Toussie sometime Isaac Toussie and I was really a conduit. I was not going to exercise any independent judgement or go to bat for them. I was just, you go something, I'll give it to them. I was just passing information back and forth like I did on any other potential acquisition.

CHAIRMAN GULDI:

Did you at anytime rise your concerns about the possible, about this the Chandler Estate transaction with the County Attorney before the closing? Did you talk to him about it?

MR. GRECCO:

I discussed this with the County Attorney and this was in the last end of negotiations when were at 4.5 and he said five million, not a penny more. I did not want to tweak this file; I did not want to get another appraisal; I did not want to exercise any independent judgement. I did not want to do any administrative boost; I didn't want to do anything and I expressed to him for two reasons, Toussie buys a significant amount of property at our auction as you all know, number one. And number two, number two that I have from time to time been doing business with Toussie. Now Toussie has been it's been stated on Channel 12 that Toussie is my quote, "friend and business associate." You know, let the truth be known he was a customer; he's a business associate to me is someone who has some financial gain or financial tie-in. We don't invest; I don't own him money. I never borrowed money from him. I never invested in anything as a joint venture; he was a customer, number one. Number two, a friend; I'm in litigation with him right now. So to refer to him as a friend and business associate is really a stretch.

CHAIRMAN GULDI:

Okay, now will have any questions, Legislator Fields?

LEGISLATOR FIELDS:

I have a couple.

CHAIRMAN GULDI:

And then Legislator Bishop.

LEGISLATOR FIELDS:

Just in reading the article they mentioned a couple of people, one is Anzini and well, let's just go with Anzini. How does the County approve an appraiser?

MR. GRECCO:

It is my understanding that a appraisal list is put together by the Appraisal Department and --

LEGISLATOR FIELDS:

Who's the Appraisal Department?

MR. GRECCO:

Oh, in my office.

LEGISLATOR FIELDS:

Your office puts the list together.

MR. GRECCO:

Yea. Anzini was approved way before I got here.

LEGISLATOR FIELDS:

But that's not answering my question. How do we get the list of people that we will do business with as appraisers?

MR. GRECCO:

I believe it's by resolution.

CHAIRMAN GULDI:

Yeah.

LEGISLATOR BISHOP:

It hasn't been done in five years.

CHAIRMAN GULDI:

Yeah. It hasn't been done in five years, but it has been done here. Ultimately, they provided a list with us and we in the Legislature approve that list. It hasn't been done in quite sometime.

LEGISLATOR FIELDS:

So then if Anzini was, was in a scandal with McNamara why would we ever even think about using any of his appraisals as the basis for any kind of appraisal, any kind of business that we might do in the County?

MR. GRECCO:

Well, that's a good question. First of all, I did not know he was in some sort of scandal with McNamara. I read in the paper he was quote, "an un-indicted co-conspirator" whatever that's supposed to mean. I was not aware of Mr. Anzini's background. If, in fact, it is true and I'm not going to disparage the man; I thought his work product was deceit. Keep in mind Legislator Fields, I didn't hire Anzini.

LEGISLATOR FIELDS:

No, but if --

MR. GRECCO:

Why would I use him in any event?

LEGISLATOR FIELDS:

Well, that's what I'm saying. In other words, if I knew that he was involved in a scandal and his name came before me in my department there would be no way that I would use him. I don't care who hires him, you know, I would not.

MR. GRECCO:

I don't -- I understood. I can understand I can appreciate your concern, I don't pick the appraisers.

LEGISLATOR FIELDS:

Okay. But I wouldn't use the appraiser that's my point.

MR. GRECCO:

Okay, then so be it. Well, I'm not certain, I'm not certain what your statement about Anzini is entirely true. My first reading of that or knowledge of Anzini involved in whatever innuendo with McNamara was when I read the paper the other day and, in fact, they indicated that this Bert Nelson appraisal that Toussie sent in somehow was indicted, well, that again, I didn't know about that either because that happened after the fact. May I also address one point regarding your statement, if I could? You had stated that you've been trying to get that appraisal to no avail. I believe that's absolutely correct. You have spoken to Terri Allar on that and she indicated --

LEGISLATOR FIELDS:

No. If you look at the minutes from about a year ago before Dave Bishop was the Chairman of the committee I asked at that time and Steve Jones, I think you were right in the audience and Steve Jones said he would get it to me the next -- by the next meeting. I then asked and you can again check in the minutes again, the following meeting and I said to Steve, you said that you'd get me the -- get us the appraisal and he said okay I'll get it and then nothing happened. So it's in the minutes, you can check about a year ago.

MR. GRECCO:

Again, so be it. I don't have a recollection of it, however, you can ask Legislator Caracciolo who constantly makes written requests for appraisals and --

LEGISLATOR FIELDS:

Well, I then heard --

MR. GRECCO:

So what I'm saying is it is not our position to not accommodate your request. I don't recall nor does Jim Burke recall ever having a written request from you.

LEGISLATOR FIELDS:

Okay.

MR. GRECCO:

Did you?

LEGISLATOR FIELDS:

No. You did not.

MR. GRECCO:

Thank you.

LEGISLATOR FIELDS:

And I did not know that I had to give a written request. I figured on the, you know, in the minutes asking two meetings in a row would be sufficient.

MR. GRECCO:

I would understand that. I can understand your position; however, Steve Jones didn't send it for whatever reason I don't know.

LEGISLATOR FIELDS:

You were there, actually.

MR. GRECCO:

Excuse me.

LEGISLATOR FIELDS:

You were there, actually.

MR. GRECCO:

I don't recall this; however, if you followed up with a letter it is our policy to supply these things.

LEGISLATOR FIELDS:

Okay. I have another question; in Newsday it said that it's the administrative policy or there's an administrative policy that allows you to offer 10% more and I wondered where that policy is; is it written? Where do you get that information that you can offer 10% than --

MR. GRECCO:

Above appraised value. Well, it's an informal policy; it is not law. The only place that I understand -- I posed this question of the County Attorney because, you know, there was a time when we were criticized for not having made deals; for not getting second appraisals; for not, in a rising market try to meet reasonable expectations. And I asked under what circumstances is it law and what circumstances is it policy in terms of these appraisals and I was advised that the only place that it is law is in the condemnation law, eminent domain law that we must go with appraisal and review in some sort of fashion. The other one is policy and the thought was that as long as we're paying fair market value that would be acceptable. Now there is to my knowledge there is no 10% rule, but as a rule of thumb if we're going to go above these valuations we would kick them upstairs for someone else's review, the Planning Director or the Administration themselves.

LEGISLATOR FIELDS:

I just feel, you know, that it's taxpayer money that we're paying for property --

MR. GRECCO:

Absolutely.

LEGISLATOR FIELDS:

-- and it's our fiduciary responsibility as representative of the County taxpayers not to over spend their money.

MR. GRECCO:

Right. And I didn't do that.

LEGISLATOR FIELDS:

But just by making a statement that, you know, we can pay 10% above --

MR. GRECCO:

I think I was quoted out of context.

LEGISLATOR FIELDS:

Well, you know --

MR. GRECCO:

Okay. My point is I believe there is some administrative leeway in a rising market.

LEGISLATOR FIELDS:

Well, I think that before we say something like that we should see that in writing and I would never, I don't think, make any kind of an appraisal or offer 10% above without knowing that I'm allowed to over spend that money.

MR. GRECCO:

It's not, you know, it's not a blanket rule. I recall memoing Roy Dragotta when he was here on this issue itself and he had indicated that only in condemnations are we really structured in our office. As long as we're paying fair market value that would be acceptable. And since we were in such a heated market and, you know, appraisals are snapshots in the past. They're based upon past comparable sales; in a rising market, as unprecedented rising market you could argue 10% is not unreasonable, but keep in mind; I didn't do it here.

LEGISLATOR FIELDS:

Who is the person who does the -- I see that Terri Allar did it then when she reviewed, she was the Senior Review --

MR. GRECCO:

Right.

LEGISLATOR FIELDS:

-- something. Is that still her title?

MR. GRECCO:

Yes.

LEGISLATOR FIELDS:

So what about, she does something else now?

MR. GRECCO:

Yes. She also does condemnations and leasing. She appears before these committees.

LEGISLATOR FIELDS:

So her title then is still Senior Review; does she still do reviews of --

MR. GRECCO:

She does, she does reviews of appraisals, yes.

LEGISLATOR FIELDS:

All the time or just --

MR. GRECCO:

Not all the time.

LEGISLATOR FIELDS:

Who actually does it now?

MR. GRECCO:

Sometimes Gary Taibbi, sometimes she does. Steve Jones had changed some policy. Now keep in mind let's go back several years. As you all know we were criticized for not getting the job done. Our appraisals and our reviews were too low. Richard Amper was constantly hammering us so what we did was we thought outside the box and Steve changed some procedures in terms of when you are getting reviews and when your not going to get reviews, when you're just going to go with the appraisal and when we're going to order second appraisals. To refresh your recollection we had that Cherry Avenue one in your district; well, we got a second appraisal. So it's not an unheard of procedure. We've done them in your district; I think I've done them in everybody's district.

LEGISLATOR FIELDS:

So when did Taibbi when did he start doing that?

MR. GRECCO:

Taibbi, well, gosh, he started here way before I got to this position.

LEGISLATOR FIELDS:

Right. I think that's it for now.

CHAIRMAN GULDI:

Legislator Bishop.

LEGISLATOR BISHOP:

Thank you, Legislator Guldi and I know you're coming back to play this show again at the Environment Committee, so I appreciate that.

SPEAKER:

(inaudible)

LEGISLATOR BISHOP:

Well, yeah. I just want to say that I appreciate this -- these documents and I think they make a fairly solid case on your behalf. However, more than helping you they really damned the Town of Brookhaven. So I'd like to just go through with you some of what I'm troubled by. The Town of Brookhaven changed its' attitude and its' legal relationship to this property subsequent to the County identifying it for purchase and protection? Is that, am I understanding these documents correctly?

MR. GRECCO:

I'm not clear on your question; you mean did they go did they look at it more favorably for TDR site?

LEGISLATOR BISHOP:

Yeah.

MR. GRECCO:

Yes. Well, keep in mind the TDR -- the Pine Barrens law was rather new at that point.

LEGISLATOR BISHOP:

Maybe I'm getting this impression from the order of the documents, but it seemed to me that the County expressed an interest and then the Town of Brookhaven retained a appraiser and changed who was favorable to the property and changed its' attitude toward the property, in fact, change of attitude is a direct quote from something that I read in here.

MR. GRECCO:

Okay. I think what happened is this; I had many discussions with staff at the Town of Brookhaven and we saw, what was their chances of winning and what was their chances of losing. Keeping in mind if Toussie won this case and it's on our list it's going to cost us more money. All right, just keep that in the side of your brain. So what we did was we saw that there were four scenarios; the Town two acre zoning scenario with and without TDR's and Toussie scenarios with and without. What we wanted to do was basically brain storm and see what was our worst case scenario if we lost the case, in which we have to pay \$8 million according to Anzini or if the Town won the case and

then he would say it was 4.795 which she knocked down. Basically, we paid the market value of the property at two acre zoning.

MR. SABATINO:

Could I just interject? Let's go back to Legislator Bishop's question; I think what he was driving at was a little earlier, Allan, you had said that suddenly in the middle of this transaction Brookhaven took the lead. That was a phrase that kind of stuck with me and I was surprised to hear you say that because I don't recall the acquisition being a joint acquisition; it wasn't Land Preservation.

MR. GRECCO:

No, no, no. It was a Greenways Open Space.

MR. SABATINO:

Right. So if we authorized the initial acquisition I think where Legislator Bishop is going is we started the process, you commented a little while ago --

MR. GRECCO:

Let me give you the full --

MR. SABATINO:

--that Brookhaven took the lead, it really became their responsibility to drive this price to whatever level --

MR. GRECCO:

Well, --

MR. SABATINO:

-- but how did they take how did they all of a sudden take the lead?

MR. GRECCO:

Okay. Very simple. This was in the Legislator Haley's district and we were meeting in his office once a month. It started out with representatives from Ken LaValle's office, a representative from the DEC, the Town, and me. After the first meeting the DEC representative never showed up, but LaValle's representative puzzled why the DEC never showed up kept going because -- kept coming to the meetings because they, apparently, had some money to put into this transaction which is also reported in Newsday; that money was never {enoring} to the County; this was money that was going to go to the Town. The Town was doing some preservation partnerships with us. They were doing the Elias matter; I'm trying to think which other ones, I'd have to look at my list, but in the course of time we recognized that the Town really had a problem in terms of this lawsuit. It wasn't our problem it was their problem, but ultimately if they lost it would cost us more money to buy.

LEGISLATOR BISHOP:

But you also had a problem because you -- as you said want to impose a Chinese wall on the deal yourself, so --

MR. GRECCO:

That's right.

LEGISLATOR BISHOP:

-- you were --

MR. GRECCO:

So I stepped back.

LEGISLATOR BISHOP:

Right.

MR. GRECCO:

That's right.

LEGISLATOR BISHOP:

And you allowed the Town sort of to be the lead --

MR. GRECCO:

That's correct.

LEGISLATOR BISHOP:

And the Town sort of led us to where we are.

MR. GRECCO:

Well, the Town hired the appraiser; I had my people review it.

LEGISLATOR BISHOP:

Right.

MR. GRECCO:

So I really haven't -- I was really a conduit in this matter, in terms of the transfer of documents back and forth. The most I did was in reviewing of the title right before closing when the -- when we were in contract and we agreed upon a price. To look at things like the environmental, there was a right of way, they needed a description and other rather complex description problems, which is --

MR. SABATINO:

I'm confused. We initiated the transaction to acquire this under Open Space.

MR. GRECCO:

Under Greenways.

MR. SABATINO:

This lawsuit --yeah, Open Space under Greenways. This lawsuit which I don't know anything about other than this brief comment that was in the paper the other day, but the lawsuit didn't sound like much in the newspaper article. Do we know the status of the lawsuit, number one; number two then how did the Town of Brookhaven then take the lead and get us to pay \$4.5 million because I don't recall the resolution being changed to a Land Preservation Partnership where they would kick in 50%, we would kick in 50%, they get half the title, you get half the title. So what troubles me --

MR. GRECCO:

Paul, Paul, it was not a Land Preservation Partnership --

MR. SABATINO:

-- is Brookhaven suddenly drove the entire process?

MR. GRECCO:

No, no. It was not a Land Preservation Partnership; we picked it up full fee title for 4.5 million. They got no fee title interest for their half million.

MR. SABATINO:

Then how, okay, then how --

MR. GRECCO:

They bridged the gap between my highest approved value and Toussie's lowest number; that's all they did. They got nothing other than a settlement of a lawsuit for their half million --

MR. SABATINO:

And nothing, but they told us what to do, that's what you're telling me.

MR. GRECCO:

They didn't tell us what to do. No. They gave us --

MR. SABATINO:

They took the lead before and that's how we got the \$5 million.

MR. GRECCO:

No, no. If my appraisal people told me that it wasn't worth -- if they told me it was worth \$3 million then we would've stayed at three million. Keep in mind, Toussie sent in a \$6.6 million appraisal that my people boosted up to four at that point. Okay? That had nothing to do with the Town. Prior to the Anzini appraisal, Toussie's Bert Nelson appraisal at 6.6 was reviewed by two of my people who brought it up -- both of them brought it up to \$4 million, this had nothing to do with the Town.

LEGISLATOR BISHOP:

Well, I mean, Eaderesto, the Town Attorney write a letter to Herb Balin the attorney for Mr. Toussie which says that, contact me to negotiate a purchase price. I think that's where some of this and you've submitted that and I think I understand what went on and it seems exactly as Counsel and I have suggested it is, that the division took ste -- you know, there was as you point out there were monthly meetings with Legislator Haley's office. It was sort of going forward as a partnership, yet it was actually under Greenways.

MR. GRECCO:

Yes.

LEGISLATOR BISHOP:

And so we allowed the Town to really take the lead on this and as I said, I think the Town is who led us to this position. And it's, it's troubling because the Town also has accessed information that we don't have about how their lawsuit is going and attitudes within the government of the Town of Brookhaven. And I go back to what I heard earlier where you say that, that the Town, there's a memo in here that the Planning Board has changed its attitude towards the parcel.

MR. GRECCO:

Was that my memo or Terri Allar?

LEGISLATOR BISHOP:

Somebody's memo said that the Town has changed its --

MR. GRECCO:

Now keep in mind --

MR. SABATINO:

I saw that comment before, but I didn't see the memo. There's reference made to it, but there's no copy of the memo.

LEGISLATOR BISHOP:

Yeah. From you to Terri --

MR. SABATINO:

March 17th, March 17th says that the Town Attorney has advised you that the Planning Commissioner's now taking a new position that the property is eligible for some credits and could yield 40 lots. That's the memo that makes reference to Terri Allar.

MR. GRECCO:

Now if you look at her next review on the last page, she also refers to the Town Attorney advising her of that as well. All right. I didn't make things up.

LEGISLATOR BISHOP:

No, that's not what I'm suggesting.

LEGISLATOR CRECCA:

But shouldn't these questions --

LEGISLATOR BISHOP:

What I'm suggesting is the Town has been the lead here and the Town is the one who changes its position and in affect handed us a bill in this circumstance.

LEGISLATOR CRECCA:

But, David, we went out and paid it; so I mean, if there's -- I mean, we went out and paid \$4.5 million and Allan was relying on information from the Town, but, and I'm not, I'm not trying to defend the Town cause I don't know what happened at the Town level, but as the same respect, too, on lots of properties there are lawsuits. I mean, I see them in Smithtown a million times not necessarily with what the County's buying, but that affect the property values that has a lot to do with any land use in any town. You know whatever lawsuits' disputes between landowners or land developers and the use of the land drastically effects price. And here we saw pretty much a range from, I mean, there -- I don't think there was a question that there were two acre zoning here. So, I mean, we went from, well, we're looking even if you look at the window it's 4 to 8 million. Okay, you know, or if you even what to go a little lower than that; we weren't that much out of the range and certainly if Allan is negotiating a purchase price on a piece of property he should be in contact with the Town to find out how the lawsuit's going. What the chances are, I mean, I know a property, a Breslin property that was in mine and Mike D'Andre's district. We were in constant contact with the town to talk about what was going to happen with the land use matters that were before them on that property, cause it drastically affected the property literally by millions of dollars.

LEGISLATOR BISHOP:

I'm not attacking Mr. Grecco; I'm raising questions about the Town.

LEGISLATOR CRECCA:

Then we should address --

LEGISLATOR BISHOP:

Your sense is that we are in constant communication with the Town --

LEGISLATOR CRECCA:

No, no, what I'm saying let's address it. Let's address those questions to the Town though not to Allan Grecco. Allan's telling you what he knows.

LEGISLATOR BISHOP:

I can tell you that the Town Attorney was invited to the Environment Committee and it's my information that she will not be attending. So you're right and I'd like to get those answers and those answers will be, will be obtained at some point.

MR. GRECCO:

May I shed some light on this, on this contract --

LEGISLATOR BISHOP:

Yeah. Shed light and I have more questions.

MR. GRECCO:

Thank you. The Town's 500,000 came from their Joseph Macchia Fund which can be utilized for environmental purposes. Since there's no requirement to my knowledge that they have to have a fee title interest, it can be utilized for the purpose of bridging the gap between a seller's absolute lowest price and the County's absolute highest price. Without that 500,000 this transaction doesn't happen. You need a willing seller and a willing buyer. I chose not to overrule my people.

LEGISLATOR BISHOP:

Allan, all the documents that you provided, were they made available to Newsday?

MR. GRECCO:

Absolutely.

LEGISLATOR BISHOP:

Was the entire file made available to Newsday?

MR. GRECCO:

To my knowledge it was, yes; and they had two hours of interview with me and several hours with Legislator Guldi and yet somehow --

LEGISLATOR BISHOP:

But did you ever physically say, here it is how about it, you know?

MR. GRECCO:

They made a FOIL request and I stayed out of the FOIL process.

LEGISLATOR BISHOP:

I can't reconcile the story with the documents that I was provided. So I'm trying in my mind to figure out what -- I treat everybody as reasonable and I'm trying to see how reasonable people can -- we can get to this point where he presents all these documents showing one story and there's a newspaper article with a believable story.

SPEAKER:

(inaudible)

LEGISLATOR FIELDS:

Well, it would be nice to be able to hear the whole file.

LEGISLATOR BISHOP:

We are here today to validate Newsday in the sense that they are a primary source of information in this County. So it's interesting to know --

LEGISLATOR FIELDS:

And the taxpayer reads this.

LEGISLATOR CRECCA:

And they --

LEGISLATOR ALDEN:

And not to me (inaudible)

LEGISLATOR BISHOP:

Perhaps not for you, but for your constituents they certainly are and they are for my constituents as well and I think it's important --

CHAIRMAN GULDI:

Can I ask a question --

LEGISLATOR BISHOP:

Your reputation, reputation of the program (inaudible)

CHAIRMAN GULDI:

Legislator Bishop, would you yield for a moment?

LEGISLATOR BISHOP:

I want to know what the hell happened.

CHAIRMAN GULDI:

Will you yield for a moment, Legislator Bishop?

LEGISLATOR BISHOP:

Yes.

CHAIRMAN GULDI:

Mr. Grecco where's the file right now? Is it in the office?

MR. GRECCO:

I think it's in the trunk of my car.

CHAIRMAN GULDI:

Could you -- since you're going to take a break between this meeting and the next meeting, why don't we -- why don't you go to your trunk of your car and get the file and we'll put it on the table so we can start resolving about where the file is and what's in it? Put it on the table.

MR. GRECCO:

Okay.

LEGISLATOR FIELDS:

Could we have Terri Allar come in also?

CHAIRMAN GULDI:

So may we could take a to be continued on this.

MR. GRECCO:

Quite frankly, I have not seen Terri Allar since the article came out.

LEGISLATOR BISHOP:

I have some more quick questions though.

CHAIRMAN GULDI:

All right, do you want to hold them or do you want to take them now?

LEGISLATOR BISHOP:

This is becoming so dramatic that I feel (laughter) --

MR. GRECCO:

It's the truth.

LEGISLATOR BISHOP:

I know it is.

MR. GRECCO:

I've suffered some, some reputational damage here, but what I believe is, is clear a misrepresentation of fact, reckless disregard for the truth. I've tried, I've been very open with the press; I've been trying to dispel any issues they have tried to create, but they came in with a premise and didn't come off of it. I will acknowledge this, to some it may appear to be an appearance of impropriety. It may appear to be as such, I'll acknowledge that, however, I think when you look at the facts you'll see there is no conflict. You also see as I said, the two issues was, was it a reasonable transaction at fair market value, the answer is yes. Did I drive the price, the answer is no.

LEGISLATOR FIELDS:

Allan, could you just --

MR. GRECCO:

I have mine time and I'd like to finish.

LEGISLATOR FIELDS:

Oh, I'm sorry.

LEGISLATOR BISHOP:

And the third question would be is there an appearance of impropriety and it appears to me I would have to answer, yes to that one as well. So I agree --

MR. GRECCO:

Fine, I'll accept (inaudible) --

LEGISLATOR BISHOP:

But I want to -- I want to know when you came on in 1994 and these perimeters were laid out for you, who knew about those perimeters? I mean, you came from private law practice --

MR. GRECCO:

Right. Yes.

LEGISLATOR BISHOP:

Right.

MR. GRECCO:

Yes. I was -- I did not solicit this job.

LEGISLATOR BISHOP:

Right. You were recruited for the job.

MR. GRECCO:

Yes.

LEGISLATOR BISHOP:

By whom?

MR. GRECCO:

County Attorney's Office, based upon my experience with the real estate field, the builders, developers, title insurance, etc.

LEGISLATOR BISHOP:

So it's with the County Attorney's Office that the perimeters are laid out?

MR. GRECCO:

Yes.

LEGISLATOR BISHOP:

And they -- you say, hey, I got this title business, right.

MR. GRECCO:

Prior to coming here I had, in fact, I keep -- on my FOIL not FOIL --

SPEAKER:

(inaudible)

MR. GRECCO:

Thank you. My yearly disclosure I always show my ownership of this company. To what extent I have to show my client list, which expands and contracts daily, I don't know. And I didn't think that that was necessary --

LEGISLATOR BISHOP:

Right. But they say to you, look you can have a title business, the only real bar, the only red flag is you can't do title insurance in or out of the County.

MR. GRECCO:

Right.

LEGISLATOR BISHOP:

Okay. And your private law practice you were a partner with partner or office share --

MR. GRECCO:

Yes. The firm was Grecco, Rapp, Hughes, Gaffney and Burke.

LEGISLATOR BISHOP:

Okay.

MR. GRECCO:

Yes. And when Mr. Gaffney and Mr. Burke came here I basically went solo and was winding up their practices.

CHAIRMAN GULDI:

(inaudible)

MR. GRECCO:

No. It's not Raf, you're thinking of Calvin {Rafhughes}, no; it's Rapp, Hughes.

CHAIRMAN GULDI:

Ahh.

MR. GRECCO:

There were five of us.

CHAIRMAN GULDI:

Practicing law in the real world still?

LEGISLATOR BISHOP:

Right.

MR. GRECCO:

All right. I would say this, any other person that handled this transaction would've done it the same way and similarly had I never had this other business out there I would have handled it the same way and would not have been a problem.

LEGISLATOR BISHOP:

And let me just conclude with this. Leaving aside this transaction the Peerless relationship Toussie; just in as your performance as the Real Estate Director, I want to note for people who suddenly have an interest in your performance as Real Estate Director that since you've come on, the pace of acquisition has greatly increased and that is meeting a demand of the Legislature and many of the environmental advocates, not all the environmental advocates.

MR. GRECCO:

All, but one.

LEGISLATOR BISHOP:

Well, that's a very late change, but in any case I wanted to make that statement.

LEGISLATOR BISHOP:

I thank you.

LEGISLATOR CRECCA:

I was going to ask Mr. Chairman if you could go to the agenda.

CHAIRMAN GULDI:

Okay.

MR. GRECCO:

Are there other questions that you have on this cause I know --

CHAIRMAN GULDI:

Actually, I know there'll be further questions cause I know the Energy the Environment Committee wants you to continue and make a presentation, so are there no more questions, here. I want to apologize to Mr. McShane who was asked to be here on time to speak at one o'clock. Mr. McShane, it is now time for your card, could you please come forward. Mr. McShane is speaking on a Sense Resolution that I found that 100 of 01. The Sense Resolutions, there are two of them that relate to the airport. For members of the committee, I'll point out that it's a three-step process. The first step would be consideration of the Senses, if we pass them the State Legislature will be required to act in both houses and sign by the Governor at which point the issues will be

MR. GRECCO:

Robert Rapp and George Hughes, there were five of us. One, you know, -- there's no firm. And we're talking about 10 years ago.

LEGISLATOR BISHOP:

No, I guess what I'm suggesting is that the people in charge of hiring you, recruiting you, understood when they hired you and recruited you what your private enterprise under the, you know, your title business existed and they understood it and said, hey, we know who you are, we know you do good work and we want you anyway except that you have to abide by this rule, nothing in, nothing out.

MR. GRECCO:

Right.

LEGISLATOR BISHOP:

Right. That's exact -- that's how it went down.

MR. GRECCO:

Right. And, you know, I'll accept that was then and this is now. I'll accept that times do change, but clearly, you know, I don't -- I'm not appreciative of this idea of that I helped my friend, Robert Toussie, get 10 times the amount of money for his property. I mean, it's a ridiculous assumption.

LEGISLATOR BISHOP:

You did, you did, you said you had an ongoing relationship with -- I don't want to say really, he was a customer of yours for many years? How long did Peerless exist for?

MR. GRECCO:

Since 1982.

LEGISLATOR BISHOP:

Okay. So it's logical that the people who hired you understood that you had an abstract company that did business with people like Mr. Toussie and they understood that when they hired you and they said the only rule that you have to abide by, Grecco, is you can't insurance title in or out of the County.

MR. GRECCO:

Right.

LEGISLATOR BISHOP:

Okay.

MR. GRECCO:

I also -- on this Chandler matter I also tried to detach myself not only because of my private business, but because of Toussie's relationship with the County at the auction.

back before the Legislature for final approval of a Home Rule Message of these plans in their final form. So this is the first of a three step process.

LEGISLATOR ALDEN:

Do you want to just take it out of order?

CHAIRMAN GULDI:

Well, let's --

LEGISLATOR ALDEN:

No. Let's save some time.

CHAIRMAN GULDI:

Let the speaker speak, Mr. McShane.

MR. MCSHANE:

Thank you very much. First of all, I am here in support of this resolution. Long Island Jet Center is a fixed based operator at Francis S. Gabreski Airport in Suffolk County and we rely very heavily, of course, on people basing their aircraft operations and so forth with us at that airport most of the services that we provide and other operators on the field who also provide. We have watched over the years as many of our based operations, these are people who actually house their equipment or their airplanes with us or stay with us to get their maintenance done, leave the airport to go to other neighboring states which are more favorable in terms of taxes, specifically, when you're purchasing these airplanes, very expensive, in any case, we become a itinerant airport at Gabreski; we don't have based operations to speak of. People come and leave from that airfield on a routine basis and we believe predominately because we can't give them the incentive to stay and to get their work done here with us, whether that work is maintenance services or fueling operations or our aircraft sales work as well. So service companies like ours would certainly benefit; the impact to local community would be good because the jobs would stay here; the work would stay here rather than going to our neighboring states. So I am again, as I said, in support of this resolution and I can answer any questions that you may have of me.

CHAIRMAN GULDI:

Any questions by Legislators?

LEGISLATOR CRECCA:

Are we prime or is Economic Development prime?

CHAIRMAN GULDI:

I think we're prime. Are we prime on this, Counsel?

MR. SABATINO:

Yes.

LEGISLATOR CRECCA:

Do you know if Economic Development is in favor of this? I'm talking about Alice, yes.

CHAIRMAN GULDI:

Alice is here to speak, to answer questions, or speak in favor of this resolution and the other one. I've been working closely with Economic Development; not if what I'm saying is true, Alice.

LEGISLATOR CRECCA:

Okay. That's good enough for me. You just saved Alice from coming up.

CHAIRMAN GULDI:

Okay. There being no questions, let's do the agenda.

MR. MCSHANE:

Thank you very much.

CHAIRMAN GULDI:

The bad news is is that we will have very brief Executive Session at the end of the agenda to consider litigation settlement. Beginning at the tabled resolutions.

TAPE RECORDER WAS NOT RECORDING ON THE FOLLOWING RESOLUTIONS:

TABLED RESOLUTIONS

1365. Amending the 2001 Capital Budget and Program and appropriating funds in connection with master plan for North County Complex, Hauppauge, NY (CP 1601) PRIME (Co. Exec.) Tabled (Vote: 4-0)

1416. To ensure League of Women Voters representation on Reapportionment Commission. PRIME (Postal) Tabled (Vote: 4-0)

1528. Authorizing waiver of interest and penalties for property tax for North Patchogue Fire District (SCTM No. 0200-973.30-03.00-016.000). PRIME (Foley) Tabled (Vote: 4-0)

1618. To Implement Town of Babylon affordable housing plan under Town Revenue-Sharing Partnership. PRIME (Postal) Tabled (Vote: 4-0)

1712. Sale of County-owned real estate pursuant to Local Law 13-1976 Bartholomew Spadaro (0200-685.00-01.00-014.000). PRIME (Co. Exec.) Tabled (Vote: 4-0)

1842. Authorizing waiver of interest and penalties for property tax for Joseph J. Ingarozza (SCTM No. 0500-373.00-02.00-002.000). PRIME (Alden) Tabled (Vote: 4-0)

1969. Authorizing the Director of Division of Real Estate, Department of Planning to issue a certificate of abandonment of the interest of the County of Suffolk in property designated as Town of Babylon Suffolk County Tax Map No. 0100-039.00-02.00-037.000 pursuant to Section 40-D of the Suffolk County Tax Act. PRIME (Co. Exec.) Defeated.

1971. Authorizing the Director of Division of Real Estate, Department of Planning to issue a certificate of abandonment of the interest of the County of Suffolk in property designated as Town of Brookhaven Suffolk County Tax Map No. 0200-055.00-01.00-007.000 (Item No. 15-25240) pursuant to Section 40-D of the Suffolk County Tax Act. PRIME (Co. Exec.) Defeated.

2007. Sale of County-owned Real Estate pursuant to Section 72-h of the General Municipal Law (Incorporated Village of Asharoken) (0401-008.00-02.00-024.001). PRIME (Co. Exec.) Tabled (Vote: 4-0)

2023. Appropriating funds in connection with the Interfacing of District Court Judgements in the County Clerk's Office (CP 1759). PRIME (Co. Exec.) Approved (Vote: 4-0)

2039. Authorizing the extension of a lease of premises located at Feather Hill Village, Main Road, Southold, NY for the Suffolk County District Attorney. PRIME (Co. Exec.) Discharged without recommendation. (Vote: 4-0)

2049. Adopting Local Law No. -2001, A Local Law to enhance the County Affordable Housing Opportunities Program. PRIME (Co. Exec.)

MS. ZUCKER:

This is an amendment to the existing legislation which governs the Affordable Housing Opportunities Program. It was tabled at the last meeting because it was subject to a public hearing at the general legislative session.

CHAIRMAN GULDI:

What's it do?

MS. ZUCKER:

It expands the program to allow for the County Capital Bond proceeds to be used for rehab and development purposes as opposed to land acquisition and it includes the Pilot Program in the Affordable Housing Program and subjects funds used under that program to the same affordability guidelines without the repayment requirement that the Affordable Housing Program has.

CHAIRMAN GULDI:

Motion to approve, Legislator Alden.

LEGISLATOR ALDEN:

Yes.

CHAIRMAN GULDI:

Second. Discussion? Questions? All those in favor? Opposed? 2049 is approved. (Vote: 4-0) 2062 Local Law, 2062 was done.

MR. SABATINO:

65.

CHAIRMAN GULDI:

So is 65. Oh there -- why are -- they both appear as tabled and introductory resolutions on my agenda. Okay.

INTRODUCTORY RESOLUTION

2071. Authorizing waiver of interest and penalties of property tax for Louise McMurray (SCTM No. 0200-534.00-04.00-031.000). PRIME (Caracappa) That's Brookhaven Town?

MR. SABATINO:

Yes. That's Centereach, yes, that's right.

CHAIRMAN GULDI:

Does this meet the criteria, Counsel?

MR. SABATINO:

No, it does not.

CHAIRMAN GULDI:

What's the story on this one? She states that there was a financial hardship.

LEGISLATOR CRECCA:

Motion to approve and then we can look at it at the full Legislature.

CHAIRMAN GULDI:

(inaudible)

LEGISLATOR CRECCA:

I made a motion to approve.

CHAIRMAN GULDI:

Okay.

LEGISLATOR CRECCA:

We can look at it at the full Legislature.

LEGISLATOR ALDEN:

Second.

CHAIRMAN GULDI:

On the motion to approve. All those in favor? Opposed.

LEGISLATOR FIELDS:

Opposed.

CHAIRMAN GULDI:

It's 3-1. (Vote: 3-1-0-0)

2077. Adopting Local Law No. -2001, A Local Law to reform Suffolk County Space Management Practices through Truth and Integrity restrictions. PRIME (Fields)

MR. SABATINO:

A public hearing required.

CHAIRMAN GULDI:

I was going to say, wait a minute, shades of Steve Levy. We have a truth and integrity bill. Motion to table by Legislator Fields, second by myself. All those in favor? Opposed? Tabled for public hearing. (Vote: 4-0)

2080. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act (Raymond Agoglia) (0100-121.00-04.00-022.000). PRIME (Co. Exec.) 0100 is Town of Babylon.

MR. GRECCO:

This is a normal resolution for redemption.

CHAIRMAN GULDI:

Of right?

MR. GRECCO:

Of right.

CHAIRMAN GULDI:

Motion by Legislator Alden, second --

MR. SABATINO:

Actually, there was a question, there was a transfer of the property in between --

CHAIRMAN GULDI:

Would it transfer the property in between cut off the right for redemption or would that right be aside with the fee?

MR. GRECCO:

No. The application was made within two months of the taking of the tax deed.

CHAIRMAN GULDI:

Okay. On the motion -- where are we? Motion by Legislator Alden second by Legislator Crecca. All those in favor? Opposed? Approved. **(Vote: 4-0)**

2082. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act (Household Finance Realty Corporation Of New York) (0400-194.00-04.00-041.000). PRIME (Co. Exec.) Same issue? Is it of right?

MR. GRECCO:

Application as of right.

CHAIRMAN GULDI:

Same motion, same second, same vote. **(Vote: 4-0)**

2083. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act (Suffolk Rehab. Corp.) (0500-075.00-01.00-004.000). PRIME (Co. Exec.) Same question?

MR. GRECCO:

This is a mortgagee as of right.

LEGISLATOR CRECCA:

Are these all of right, Allan?

MR. GRECCO:

Yes.

CHAIRMAN GULDI:

Same motion, same second, same vote. **(Vote: 4-0)**

MR. GRECCO:

If you give me one second I'll tell you all of them.

CHAIRMAN GULDI:

I'll give you a second.

MR. GRECCO:

Yes. All the way up to 2110.

CHAIRMAN GULDI:

Okay. So we'll just do same motion, same second, same vote on 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2106 --

MR. SABATINO:

2090 is a property abandonment though; it's not a redemption.

CHAIRMAN GULDI:

Certificate of -- okay, so let's do the redemptions. On the abandonment, is this a Mennonite Notice? The Brookhaven --

MR. GRECCO:

(inaudible)

2090. Authorizing the Director of the Division of Real Estate, Department of Law to issue a certificate of abandonment of the interest of the County of Suffolk in property designated as Town of Brookhaven, Suffolk County Tax Map No. 0200-564.00-01.00-002.003, (Item No. 8016831) pursuant to Section 40-D of the Suffolk County Tax Act. PRIME (Co. Exec.)

LEGISLATOR CRECCA:

2090.

CHAIRMAN GULDI:

2090.

MR. GRECCO:

2090, bear with me. I'm sorry, you're right, 2090 I missed that one.

CHAIRMAN GULDI:

2090 and 2106 are both --

MR. GRECCO:

This is lack of notice to the prior fee owner who is deceased.

CHAIRMAN GULDI:

Motion by myself.

LEGISLATOR CRECCA:

Second.

CHAIRMAN GULDI:

All those in favor? Opposed? Abstentions? (Vote: 4-0)

2106. Authorizing the Director of the Division of Real Estate, Department of Planning to issue a certificate of abandonment of the interest of the County of Suffolk in property designated as Town of Babylon, Suffolk County Tax Map No. 0100-075.00-02.00-026.000 (Item No. 140895003) pursuant to Section 40-D of the Suffolk County Tax Act. PRIME (Co. Exec.)

MR. GRECCO:

This one, ah, I missed those two, I apologize for lumping them in. This one was owned by the two LaPlaca's. One brother in fee ownership was not noticed and the one was. The one that was noticed is of ill health and old and feeble. We felt that the notice to the one was not --

CHAIRMAN GULDI:

Was it effective?

MR. GRECCO:

It wasn't effective.

LEGISLATOR CRECCA:

Motion.

CHAIRMAN GULDI:

How long has the property been in default?

MR. GRECCO:

We took title to this one in 1996/97, no, we took it in 99.

CHAIRMAN GULDI:

We took it in 99 for default.

MR. GRECCO:

For 96/97 taxes, yes.

CHAIRMAN GULDI:

And when was the application made?

MR. GRECCO:

Bear with me. I was talking to Legislator Bishop on this, looks like sometime in August of this year. I'm guessing.

CHAIRMAN GULDI:

How much are we getting in taxes on this in the event we approve it? Or is it already paid? It's only a \$1,000 a year.

MR. GRECCO:

It's about \$1300 a year. I'm guessing around 4 or \$5,000.

CHAIRMAN GULDI:

Motion to approve by myself second by Legislator Alden. All those in favor? Opposed? Abstentions? (Vote: 4-0)

2107. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act (William C. Britz and Elizabeth A. Britz, his wife) (0500-281.00-03.00-008.000). PRIME (Co. Exec.) Is again, back to Local Law 16's, of right. This is William Britz and

MR. GRECCO:

Elizabeth Britz.

CHAIRMAN GULDI:

It's 0500, which is --

LEGISLATOR ALDEN:

Islip.

MR. GRECCO:

Yeah. This one was taken in May; the application was in October of this year. It's an application as of right.

CHAIRMAN GULDI:

Motion by Legislator Alden second by Legislator Crecca. All those in favor? Opposed? Abstentions? Approved. (Vote: 4-0)

2108. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act (Ross W. Tudisco and Rose Tudisco, his wife) (0800-114.00-05.00-041.001). PRIME (Co. Exec.) Tudisco in 0800 which is --

MR. SABATINO:

Lake Grove in Smithtown.

CHAIRMAN GULDI:

Is it of right, Allan?

MR. GRECCO:

As of right.

CHAIRMAN GULDI:

Same motion, same second, same vote. (Vote: 4-0)

2109. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act (Brightside Avenue Holding Corp.) (0500-119.00-03.00-046.000). PRIME (Co. Exec.)

MR. GRECCO:

Yeah. This is an application by a prior record owner as of right, and they actually have paid us in advance.

CHAIRMAN GULDI:

Same motion, same second, same vote. (Vote: 4-0)

2110. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act (Nadia Farber, Administrator of the Estate of Sid Farber a/k/a Sidney Farber) (0200-899.00-04.00-116.000). PRIME (Co. Exec.) Of right or not?

MR. GRECCO:

Help me out on this one. We took a deed on January 30th, of 01; the application date was August 8th, of 01. Is that within six months, February, March, April, May, June, July.

CHAIRMAN GULDI:

It's seven.

MR. GRECCO:

It's eight days late? Is it? Am I right on my calculations.

CHAIRMAN GULDI:

No. It's 30 days late.

MR. GRECCO:

We took title on -- well, here's -- help me out on this. We took title by a deed date January 30th, 01; the deed was recorded on February 13th, 01.

CHAIRMAN GULDI:

Okay.

MR. GRECCO:

The application was made August 8th, 01, in other words it was more than six months after the date of the deed, but less than six months of the recording of the deed.

CHAIRMAN GULDI:

Motion to approve.

LEGISLATOR CRECCA:

Yeah, second.

MR. GRECCO:

Okay.

CHAIRMAN GULDI:

Motion to approve by myself second by Legislator Crecca. All those in favor? Opposed? Abstentions? (Vote: 4-0) Legislator Bishop is not here.

2114. Establishing a policy for the placement of wireless communications facilities on County property. PRIME (Co. Exec.) Is Mr. Grier here? Mr. Grier, Legislator Bishop asked this to be tabled; I understood that you were not in favor of that. Could you tell us why?

MR. GRIER:

No, we're not in favor it because we'd like to move forward as quickly as we can with having a consultant come on board and do the assessment of the various County facilities, help us establish a market valuation for the property, so we can go out and license them to those carriers who have inquired obvious to the space. And that way we can get them on board; have this in place so we can actually execute agreements next year and search any revenues for 2002.

CHAIRMAN GULDI:

So if we approve this at the next meeting who's writing the RFP and when is it going out?

MR. GRIER:

Ah, it has to according to the resolution it has to be awarded by January 31st of next year. So it would be happening immediately.

LEGISLATOR CRECCA:

Did you say you are in favor of this resolution or you're not in favor?

CHAIRMAN GULDI:

Yes. He is in favor.

LEGISLATOR CRECCA:

Oh, you are in favor.

CHAIRMAN GULDI:

I'll tell you what I'll do since Legislator Bishop is out of the room I'll make a motion to discharge without recommendation where he can address his concerns -- try to address his concerns and see if you can get the bill cleaned up by the meeting.

MR. GRIER:

Right. We have corrected --

MR. SABATINO:

Also Legislator Postal asked me just to put on the record that she was requesting that there could be a change to the bill just to allow for municipalities to, to be able to do the placement without having to go through the same procedures. So I just bring it to your attention. If you can try to do a corrected copy if, it could be accommodated.

CHAIRMAN GULDI:

Motion to discharge without recommendation by myself.

LEGISLATOR ALDEN:

Second.

CHAIRMAN GULDI:

Second by Legislator Alden. Discussion? All those in favor? Opposed? Discharged without recommendation. **(Vote-4-0)** 2115 we previously approved.

2116. Sale of County-owned real estate pursuant to Section 72-h of the General Municipal Law (Village of Sag Harbor – Town of Southampton) (0900-026.00-01.00-108.000 and 109.000). PRIME (Co. Exec.)

MR. SABATINO:

This is going to be for park purposes.

MR. GRECCO:

Yes. This one was requested by the town; we have -- the Village of Sag Harbor excuse me. And we have a resolution.

LEGISLATOR ALDEN:

For what thing?

MR. GRECCO:

Park purposes. We've waived fees for a dollar based upon our policy of trying to unload these properties that have little value to us.

CHAIRMAN GULDI:

Okay. Motion to approve by myself, second by Legislator Fields. Discussion? All those in favor? Opposed? Abstentions? **(Vote: 4-0)** List me as a co-sponsor on the bill, Clerk's Office, please.

2120. Sale of County-owned real estate pursuant to Section 72-h of the General Municipal Law (Village of Patchogue) (0204-006.00-02.00-013.000). PRIME (Co. Exec.)

MR. GRECCO:

This one again is for park purposes. We have a resolution from the Village of Patchogue and we are waiving.

CHAIRMAN GULDI:

(inaudible)

LEGISLATOR CRECCA:

Motion to approve.

CHAIRMAN GULDI:

Motion to approve by Legislator Crecca, second by myself. All those in favor? Opposed? Abstentions? (Vote: 4-0)

2121. Sale of County-owned real estate pursuant to Section 72-h of the General Municipal Law (Town of Brookhaven) (0200-973.80-02.00-035.000). PRIME (Co. Exec.)

MR. GRECCO:

This one is requested by the Town of Brookhaven. They are looking for it for, I believe it's park purposes. Let me look at the resolution.

EXPERIENCING TROUBLE WITH RECORDER AND SOUND SYSTEM

CHAIRMAN GULDI:

(inaudible) by 100 --

LEGISLATOR CRECCA:

Yes. It says for municipal purposes.

MR. GRECCO:

Municipal purposes.

CHAIRMAN GULDI:

(inaudible) on a paper road.

MR. SABATINO:

The problem is the resolution says just for municipal purposes. You have to look at a backup memo from the Affordable Housing Director which makes reference to Memorial Park, but technically it's not in the resolution. If you want to rely on the memorandum that would fit within municipal purposes.

LEGISLATOR CRECCA:

Yeah, it does say to acquire County owned property for use as a memorial park. Well, you know, there's time for a corrected copy. Why don't we discharge without recommendation and let them (inaudible) since it's the end of the year.

CHAIRMAN GULDI:

(inaudible)

LEGISLATOR CRECCA:

County Exec's were up here. If you could have -- did you prepare this, Paul or did the County Exec's?

MR. GRECCO:

2121?

LEGISLATOR CRECCA:

Yeah. It has to be corrected, that's all.

MR. GRECCO:

Okay.

LEGISLATOR CRECCA:

Oh, I didn't see that, sorry.

PROBLEM WITH RECORDER AND SOUND SYSTEM

2122. Sale of County-owned real estate pursuant to Section 72-h of the General Municipal Law (Village of Westhampton Beach) (0905-017.00-05.00-036.000). PRIME (Co. Exec.)

2123. Authorizing the sale of County-owned real property pursuant to Section 72-h of the General Municipal Law to the Village of Westhampton Beach for affordable housing purposes. PRIME (Co. Exec.)

CHAIRMAN GULDI:

(inaudible) All those in favor? Opposed? 2122 and 2123 are discharged without recommendation. **(Vote: 4-0)**

2124. Authorizing the sale of County-owned real property pursuant to Section 72-h of the General Municipal Law to the Town of Brookhaven for affordable housing purposes. PRIME (Co. Exec.) Counsel, is the resolution correct on this one?

MR. SABATINO:

Yes. This one is, this is North Bellport and Mastic Beach area.

CHAIRMAN GULDI:

Motion to approve by Legislator Alden, second by Legislator Crecca. All those in favor? Opposed? 2124 is approved. **(Vote: 4-0)**

2125. Authorizing the sale of County-owned real property pursuant to Section 72-h of the General Municipal Law to the Town of Brookhaven for affordable housing purposes. (0200-879.00-01.00-006.000) PRIME (Co. Exec.)

MR. SABATINO:

This one ties in as affordable housing.

CHAIRMAN GULDI:

Same motion, same second, same vote. **(Vote: 4-0)**

2126 --

MR. SABATINO:

The only thing on 2125 is that the exhibit A is missing, so somebody should just file that with the Clerk before it gets adopted. (inaudible) office. It makes reference to exhibit A, but exhibit A was just not there.

CHAIRMAN GULDI:

Executive Office noted? Why are you guys ducking?

2126 Authorizing the sale of County-owned real property pursuant to Section 72-h of the General Municipal Law to the Town of Southampton for affordable housing purposes. PRIME (Co. Exec.) I don't think this one's on Dune Road.

MR. GRECCO:

This one's on Vail Avenue.

MR. SABATINO:

This one has -- the language ties in in the resolution to the Town.

SPEAKER:

(inaudible)

CHAIRMAN GULDI:

I know this is on Pine Street. I'll make the motion and list me as a co-sponsor. All those in favor? Opposed? 2126 is approved. **(Vote: 4-0)**

2129. Appropriating funds in connection with the reconstruction of CR 43, Northville Turnpike from Elton Lane to Sound Avenue, Town of Riverhead (C.P. 5035). PRIME (Co. Exec.)

MR. SABATINO:

This is the land acquisition component to get the necessary --

CHAIRMAN GULDI:

Motion to approve by myself.

LEGISLATOR CRECCA:

Second for Legislator Caracciolo.

CHAIRMAN GULDI:

All those in favor? Opposed? 2129 is approved. (Vote: 4-0)

2132. Amending the 2001 Capital Budget and Program and appropriating funds for the acquisition of land for intersection improvements on CR 35, Phase I, from the vicinity of Old Country Road, to the vicinity of CR 86, Broadway-Greenlawn Road, Town of Huntington, Phase I (CP 5519.211). PRIME (Co. Exec.)

This is appropriation to make this project go forward so we don't lose the money in the Capital Budget cycle, I presume. Is that correct, Counsel?

MR. SABATINO:

It's the land acquisition component again for the road reconstruction -

CHAIRMAN GULDI:

Motion to approve by Legislator Crecca, second by myself. Discussion? All those in favor? Opposed? 2132 is approve. (Vote: 4-0)

2133. Appropriating funds in connection with improvements on CR 35 from the vicinity of CR 66, Deer Park Avenue to the vicinity of Old Country Road, Town of Huntington, Phase II (CP 5519.212). PRIME (Co. Exec.) Same motion, same second, same vote, same issue. (Vote: 4-0)

2135. Appropriating funds in connection with drainage and road improvements on CR 58, Old Country Road, Town of Riverhead (CP 5543). PRIME (Co. Exec.) Motion to approve by myself, second by Legislator Crecca. Discussion? All those in favor? Opposed? Approved. (Vote: 4-0)

2136. Appropriating funds in connection with improvements to CR 80, Montauk Highway, Town of Southampton (CP 5550). PRIME (Co. Exec.) Same issue. Motion to approve by myself, second by Legislator Fields. All those in favor? Opposed? 2136 is approved. (Vote: 4-0)

2143. Amending Resolution No. 713-2001 for sale of surplus vehicles. PRIME (Caracappa) Let's take a look.

LEGISLATOR ALDEN:

Does this add all the Legislator's cars to that?

CHAIRMAN GULDI:

They're not surplus until you wear them out.

MR. SABATINO:

What happened here was we previously authorized the disposition to the Sachem School District; they were at 4000, 3500, 2500, 3000, 800 respectively. The school wants to pay \$200 instead, this would bring it to \$200.

LEGISLATOR CRECCA:

Motion to approve.

CHAIRMAN GULDI:

Second. All those in favor? Opposed? Approved. (Vote: 4-0)

2150. Authorizing use of old toll building at Smith Point Bridge by Bay Area Civic Association. PRIME (Towle) What a minute. Is this Towle is approving his group toll on old toll booth. I'm not making this up. It's a sight gag. You have to see toll and Towle; it's spelled differently.

MR. SABATINO:

But what the proposal is is to have this association run --

CHAIRMAN GULDI:

At a dollar a year. I saw the Parks Commissioner come in. Does the Parks Commissioner have any knowledge of this use of a tourism center at the Smith Point Park entrance?

LEGISLATOR CRECCA:

Mr. Scully?

CHAIRMAN GULDI:

This will teach you to walk in on my meeting. Come on up. Legislator Towle's resolution 2150 authorizing the use of the old toll building at Smith Point Bridge by the Bay Area Civic Association at a rate of \$1.00 a year for tourism and promotion office at the Smith Point County Park. Do you know anything about this?

MR. SCULLY:

I believe, that the structure affect by the resolution is the Department of Public Works toll booth on the north side of the bridge, if I'm right about that. So we haven't been that involved in those discussions.

CHAIRMAN GULDI:

Good idea?

MR. SCULLY:

I really don't know enough about it, Mr. Chairman, to offer an opinion, but I'm certainly anxious to learn.

LEGISLATOR CRECCA:

Motion to discharge without recommendation.

CHAIRMAN GULDI:

I'll second the motion to discharge without recommendation. (Vote: 4-0) The man can dance.

LEGISLATOR CRECCA:

Quickly, get back to your seat.

CHAIRMAN GULDI:

Let see who's out there?

TABLED SENSE RESOLUTION

79-01 Memorializing resolution requesting State of New York to provide a 60-day grace period before charging penalty and interest for late payments of real property taxes in Suffolk County. PRIME (Cooper)

LEGISLATOR CRECCA:

This has been tabled just so you know cause at my request and speaking with Legislator Cooper and Postal and we're working on something and I'll be honest with you we sort of dropped the ball on it in October because of the World Trade Center and we never picked it back up again. So --

CHAIRMAN GULDI:

What should we do with this?

LEGISLATOR CRECCA:

I think we should table it so that we can still come out with one piece together, Legislator Cooper, Postal and myself.

CHAIRMAN GULDI:

Motion to table by Legislator Crecca. Is there a second to the tabling motion by -- Legislator Alden. All those in favor? Opposed? Abstentions? (Vote: 4-0)

SENSE RESOLUTIONS

Sense 99 is my resolution memorializing, asking the State to establish a independent Suffolk County Airport Agency. It's in your packet outlining briefly what it would do to create a five member agency, two appointed by the -- one appointed by the County Executive and two recommended by or nominated if you will by respectively the Town of Southampton and the Village of Westhampton Beach and ratified by the Legislature. It would take over entire operation of the airport. The -- it is the first step in a three step process because if we approve it and it goes to Albany as a Sense Resolution, it has to go through Albany and then come back here for Home Rule before it could be

implemented. The measure is ultimately revenue neutral because, actually it's better than revenue neutral because in our 20 year plus history of running the airport we have generally managed to operate it in the red; requiring the County to make contributions to the airport. To the extent that the airport ever generate revenue the use agreements under the FAA prohibit, prohibit outright the -- any funds revenue generated from airport purposes being used for general municipal purposes and requiring them to be rededicated to airport use only. See the only thing we're giving up is our potential liability, not our potential upside. The number of reasons for improving it include additional local control or local impute and actually create a focus to an independent group to deal with the airport which we've had more than 20 years of County's shepherdship of without effectively moving forward. Yeah, we own it. No. Actually, we'll deed it subject to a reverter clause; we'll deed it to the agency subject to a reverter, which our deed is subject to a reverter clause to the Federal government anyway in the event we ever cease airport functions.

LEGISLATOR ALDEN:

Mr. Chairman.

CHAIRMAN GULDI:

Yes.

LEGISLATOR ALDEN:

You just outlined that the FAA would prohibit any funds coming from that airport to general municipal --

CHAIRMAN GULDI:

That's correct.

LEGISLATOR ALDEN:

Okay, but does it prohibit the opposite?

CHAIRMAN GULDI:

No, it doesn't. Right now historically we've been picking up the bill for the airport. This would leave the airport unto it's own devices. It would be required to operate on it's own revenue when this is created. This is a multi-year process -- this is required to do, I mean, to get the both houses and the Legislature and the Governor in Albany on board and then to bring it back here --

LEGISLATOR ALDEN:

(inaudible) plan that exists would operate this airport in a profitable mode?

CHAIRMAN GULDI:

We actually struck black in terms of airport (inaudible) -- Pauline Mize the airport manager is here, what year was it, 97-96?

MS. MIZE:
1998.

CHAIRMAN GULDI:

1998 we struck black for the first time. We did have one red year since then, but that was only because there was a substantial rent payment that was received in the next year, which was received late. But the airport has just barely struck black. In addition, to operational issues the liability issues, the County would be removed from by having it in a separate agency.

LEGISLATOR ALDEN:

What is -- is there a timeframe that we have to operate under?

CHAIRMAN GULDI:

Well, I'd like to get this discharge this year so that they can go to Albany this winter and not be refiled in February and March, but you know, and ultimately go to Albany in March. I'd like to get it on their calendar, on their radar screen, but I presume it'll take at least a year before it's back here for ultimate Home Rule approval in its final form.

LEGISLATOR CRECCA:

And this will lead to the commercialization of the airport mostly, right? I'm not saying it's a bad thing, I think it's a good thing.

CHAIRMAN GULDI:

I think that what it will lead to commercialization in the sense that there is some industrial park development potential there. There's a companion resolution I think will have a greater impact than that and we'll address that when we get to it. This is really a management and structure issue more than it is a choice of use.

LEGISLATOR CRECCA:

Motion to discharge without recommendation. Is that all right?

CHAIRMAN GULDI:

All right. If that's the best I'm going to do, I guess it will have to be all right, isn't it?

LEGISLATOR CRECCA:

Just so we can take another look at this project. It looks like a good thing I just, you know.

CHAIRMAN GULDI:

All right. I have a motion to discharge without recommendation. Is there a second for that?

LEGISLATOR ALDEN:

Second.

CHAIRMAN GULDI:

Second by Legislator Alden. (inaudible) you know, they'll only go half way, so we'll take half. On the motion to discharge without recommendation. All those in favor? Opposed? Discharged without recommendation. **(Vote: 4-0) 100-01** is the companion, if you will that Mr. McShane spoke to earlier. It asked the Legislature to create some sales tax relief for aviation uses at that facility, facility specific. I'll make a motion to approve that.

LEGISLATOR CRECCA:

Second by Legislator Crecca. All those in favor? Opposed? That's approved. **(Vote: 4-0)** Now we need to deal with the Consent Calendar briefly and then we will go to an Exec. Session in the next room with Mr. Cabbie, legislative staff, members of the Committee, and who else do you need? Do you have Risk Management or co-workers Comp here? Okay, approving their presence, but first to the Consent Calendar. Let's start with nothing from tabled resolutions. Starting with 2080, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089 all local law 16's, 2090 and 2106 certificate of abandonment's, 2107, 2108, 2109, 2110 are all 16's. Should we put the 72-h's on or leave them off?

LEGISLATOR CRECCA:

Well, some of them are discharges without recommendation, those we should --

CHAIRMAN GULDI:

No. Those we can't, but the ones we approved should we put on?

LEGISLATOR CRECCA:

I make a motion to put them on.

CHAIRMAN GULDI:

Hearing no objections, 2115, 2116, 2120, 2124, 2125, 2126. How about the road improvements? I'll put them on. Any objections?

MR. SABATINO:

Yeah, but those have bonds.

CHAIRMAN GULDI:

Oh, do they? Okay. Both of them 21--

MR. SABATINO:

Both of them do; they're all appropriating the proceeds of bonds to pay for those land acquisitions.

CHAIRMAN GULDI:

2143 the surplus cars we can put on. Okay. And we'll leave the Sense Resolution on the general calendar since we discharged the other one without recommendation. Unless you want to reconsider.

LEGISLATOR CRECCA:

Second that motion.

CHAIRMAN GULDI:

Okay. All those in favor of making that Consent Calendar? Opposed? **(Vote: 4-0)** We'll adjourn to an Executive Session in the conference room. We will note with the stenographer and the end of that the time that we reconvene to adjourn, you don't need to wait for us, and the Energy Committee will be meeting in this room momentarily.

Executive Session started at 3:30 P.M. and ended at 3:45 P.M.

(Having no further business the Ways and Means Committee was adjourned at 3:45 P.M.)

{ } denotes spelled phonetically.